FORM 51-102F1
MANAGEMENT DISCUSSION AND ANALYSIS
FIRST PHOSPHATE CORP.
FOR THE YEAR ENDED FEBRUARY 28, 2023 AND FEBRUARY 28, 2022

This management's discussion and analysis ("MD&A") covers the financial statements of First Phosphate Corp. (the "Company") For the year ended February 28, 2023 and for the comparable period ended February 28, 2022. This MD&A should be read in conjunction with the audited annual financial statements and notes thereto for the years ended February 28, 2023 and February 28, 2022 (the "Annual Financial Statements"). The information contained in this report is current to June 26, 2023 and has been approved by the Company's board of directors (the "Board").

This discussion should be read in conjunction with the Company's audited annual financial statements for the years ended February 28, 2023 and February 28, 2022, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's financial statements and the financial information contained in the MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee.

The Company's certifying officers are responsible for ensuring that the Annual Financial Statements and MD&A do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made. The Company's officers certify that the Annual Financial Statements and MD&A fairly present, in all material respects, the financial condition, result of operations and cash flows, of the Company as the date hereof.

The Board approves the Annual Financial Statements and MD&A and ensures that the Company's officers have discharged their financial responsibilities. The Board's review is accomplished principally through the Audit Committee, which reviews and approves all financial reports prior to filing.

Additional information related to the Company is available on SEDAR at www.sedar.com.

FORWARD LOOKING STATEMENTS

Certain statements contained in this MD&A and in certain documents incorporated by reference into this MD&A, constitute forward-looking statements, within the meaning of applicable securities laws ("forward-looking statements"). Such statements relate to future events or the Company's future performance. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "potential", "targeting", "intend", "could", "might", "should", "believe", "prospect", "future", "possible", "can", "speculative", "perhaps" and similar expressions.

Forward-looking information and statements included throughout this MD&A include, but are not limited to, statements pertaining to the following:

- the Company's future exploration and drilling activities, anticipated production and estimates, potential mineralization and resources, projected capital expenditures, and events or developments that the Company expects;

- the anticipated use of proceeds from funds raised in the Company's offering;
- the maintenance of the Company's projects;
- the Company's expectations that it will continue to fund its mineral operation activities primarily through the issuance of securities until it develops a positive cash flow from its mining operations;
- that material changes in the Company's liquidity will be substantially determined by the success or failure of its exploration programs on the Company's projects, as well as its continued ability to raise capital;
- that the Company has sufficient funding to meet its administrative overhead expenses for the next twelve months; and
- that management believes that it will be able to raise capital in the future.

Forward-looking information and statements included throughout this MD&A are based on a number of factors and assumptions which have been used to develop such statements and information, but which may prove to be incorrect, including, but not limited to, assumptions about:

- market prices, exploitation and exploration results, continued availability of capital and financing, general economic, and market or business conditions;
- the Company maintaining the Company's projects;
- the Company's continuing to fund its mineral operation activities primarily through the issuance of securities until it develops a positive cash flow from its mining operations;
- that material changes in the Company's liquidity will be substantially determined by the success or failure of its exploration programs on the Company's projects, as well as its continued ability to raise capital;
- that the Company has sufficient funds to meet its administrative overhead expenses for the next twelve months; and
- that management will raise capital in the future.

Although the Company believes that the expectations reflected in those forward-looking statements are reasonable, no assurance can be given that these expectations will prove to be correct. As such, forward-looking statements included in this MD&A and in the documents incorporated by reference into this MD&A should not be unduly relied upon.

Further, readers are cautioned that forward-looking statements involve known and unknown risks, uncertainties and other factor (many of which are beyond the Company's ability to predict or control) that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. In particular, the Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and elsewhere in this MD&A, which should not be considered to be exhaustive:

- decrease in the prices of metals, ores and/or mineralization that are being explored for by the Company,
- unanticipated increases in the costs and expenditures of future exploration drilling and activities, metal production, and projected capital expenditures;
- the Company's inability to maintain the Company's projects;
- the Company's inability to continue to fund its mineral operation activities through the issuance securities until it develops a positive cash flow from its mining operations;
- material adverse changes in the Company's liquidity or ability to raise capital;
- the Company will not have sufficient funds to meet its administrative overhead expenses for the next twelve months; and

- that management will be unable to raise capital in the future.

Forward-looking statements contained in this MD&A and the documents incorporated by reference into this MD&A speak only as of the date of this MD&A, or as of the date specified in the documents incorporated by reference into this MD&A, as the case may be. The Company does not intend, and does not assume any obligation, to update or revise these forward-looking statements, except as required pursuant to applicable securities laws.

The forward-looking statements contained in this MD&A and the documents incorporated by reference herein are expressly qualified by this cautionary statement.

Additional information related to the Company is available for view on SEDAR at www.sedar.com

DESCRIPTION OF BUSINESS AND OVERVIEW

The Company was incorporated in British Columbia on September 18, 2006. On June 29, 2022 the Company filed articles of amendment with the Province of British Columbia changing its name from First Potash Corp. to First Phosphate Corp. The address of the Company's corporate office and registered and records office is 1055 West Georgia Street, 1500 Royal Centre, P.O. Box 11117, Vancouver, British Columbia, V6E 4N7. The Common Shares are traded on the Canadian Securities Exchange (the "CSE") under the symbol "PHOS" and are quoted on the on the Frankfurt Stock Exchange under the symbol "KD0".

Since May 2022 the Company has been in the business of acquiring and exploring igneous rock titanium and phosphate mineral properties in the Saguenay Region of Quebec for the purposes of developing and producing phosphate concentrate, titanium concentrate and iron concentrate and eventually phosphoric acid for use in lithium iron phosphate (LFP) batteries for the electric vehicle (EV) industry. Quebec is a North American EV industry hub with multiple government incentives. The Company seeks to utilize its access to clean hydro power, secure and ethical supply source, proximity to city, airport and international deep seaport to maximize its early mover advantage in the LFP battery segment. The Company operates in an industry with immense growth potential. The Global LFP market is projected to grow at CAGR of 25.6% in the next 5 years owing to rapid growth in demand for LFP batteries for EVs. Further details can be found on: https://www.fortunebusinessinsights.com. Proposed US government EV credits require EV battery materials to be sourced in the US or in aligned free trade countries: https://home.treasury.gov/news/press-releases/jy1379. LFP value chain starts with high purity igneous rock deposits which the Company has access to and gives it a competitive advantage. The Company has obtained permit applications to begin drilling in 2023, one for Lac Original, and one for Begin-Lamarche: https://firstphosphate.com/first-phosphate-secures-drilling-permits-for-lac-a-lorignal-and-begin-lamarche-projects-in-quebec-canada/. Further, on July 1, 2022, the Company entered into a partnership with Queen's University in advanced formulation and process integration which was announced on September 21, 2022: https://firstphosphate.com/first-phosphate-partners-with-queens-university-pufahl-research-group-to-advance-lac-a-lorignal-property-as-a-unique-source-for-the-lithium-iron-phosphate-lfp-battery-industry/. The proposed project is to support postdoctoral - level research focused on fully characterizng the nature of phosphorite occurrence. The Company will be provided with detailed mineralogy and geochemistry of phosphatic minerals that complements the bulk chemistry of SGS Minerals — Lakefield. Results will form the foundation for assessing deposit quality, and if economic, whether it is suitable for the LFP market.

On March 26, 2021, the Alberta Securities Commission and British Columbia Securities Commission each issued an order revoking their previously issued cease trade orders in respect of the securities of the Company. The Company filed an application for Common Shares with the Canadian Securities

Exchange (the "CSE") and received approval to list its common shares on the CSE at the opening of the market on February 22, 2023 (the "Common Shares"). The company trading symbol is "PHOS" on the CSE and "KD0" on the Frankfurt Stock Exchange.

On June 1, 2022, the Company completed a consolidation of its issued and outstanding Common Shares on the basis of 1 post-consolidation common share for every 500 pre-consolidation Common Shares. The consolidation was approved by the Company's Board on May 27, 2022. This consolidation is reflected retroactively in the Company's February 28, 2023 financial statements.

Changes in Accounting Policies

Effective for the year ended February 28, 2023, the Company changed its accounting policy of capitalizing exploration and evaluation expenditures which had been applied in its interim financial statements for the first three quarters of the year. The Company believes that expensing such costs as incurred provides more reliable and relevant financial information. This has been presented in the audited financial statements as per IAS8. The cost of exploration activities, excluding costs incurred to acquire and secure exploration property licenses and professional fees directly related to such acquisitions are expensed until it has been established that a mineral property is commercially viable. Previously, the Company capitalized these amounts in its interim financial statements. The change has no impact on the Company's financial statements as at and for the year ended February 28, 2022 or at March 1, 2021.

PHOSPHATE INDUSTRY TRENDS

The ongoing conflict between Russia and Ukraine has disrupted the supply of many commodities from Russia and, has created huge implications for the fertilizer market. Russia is a very large producer and exporter of various fertilizers, including phosphate. The Company's Lac à l'Orignal project can offer a domestic supply for North America, as well as export to other areas globally. This continues to highlight the importance of a safe geopolitical jurisdiction.

Global demand for phosphate is expected to increase over the medium and long term due to global population growth and a shift in dietary habits towards more protein-rich foods. Within this context, the Lac à l'Orignal project can satisfy a portion of this growing demand and provide a reliable and secure supply of high-quality phosphate rock. Phosphate has no substitute and is a key component essential to life. It helps root development and drought resistance in plants. Phosphate purchasers (potential customers) are concerned with the security of supplies and are aware of the beneficial geopolitical situation regarding the region where the mine is located. The Lac à l'Orignal project is located in a politically stable mining-friendly jurisdiction. As well, as a result of European legislation and environmental issues in North America, there has been a growing awareness surrounding the nature of the phosphate concentrate that is used in the production of fertilizer and other applications. Due to these growing concerns, the interest in higher purity phosphate rock, such as the Company's, is projected to increase. Supply has also been constrained by China's export ban on phosphate fertilizers and now, the restriction on exports from Russia.

EXPLORATION AND EVALUATION ASSETS

Title to mineral properties

The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties are in good standing. However, such properties may be subject to prior agreements or transfer and title may be affected by undetected defects.

The Company has entered into agreements to acquire, explore and develop certain mineral properties located in various regions of Canada. Several aboriginal groups are claiming inextinguishable aboriginal title to the lands and resources in various regions of Canada, which may include one or more of the mineral claims beneficially owned by the Company. The extent to which any successful aboriginal claim would materially affect the ability of the Company to exploit its mineral properties is not determinable at this time.

All costs related to the acquisition, exploration and development of mineral properties are capitalized by property. If economically recoverable ore reserves are developed, capitalized costs of the related property are reclassified as mining assets and amortized using the unit of production method. When a property is abandoned, all related costs are written off to operations. If, after management review, it is determined that the carrying amount of a mineral property is impaired, that property is written down to its estimated net realizable value. A mineral property is reviewed for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable.

The amounts shown for exploration and evaluation assets do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof.

Environmental

The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company.

Exploration Programs

A summary of the Company's current exploration programs is set out below, however, for additional information and details regarding such matters, reference is made to the Company's news releases and related filings that can be viewed on www.sedar.com.

The carrying value of the mineral properties as at February 28, 2023 is $3,644,234.

Lac à l'Orignal Flagship Area

The Company's material property is the Lac à l'Orignal Property, which is summarized below and based on a technical report dated November 17, 2022 and entitled "Technical Report and Initial Mineral Resource Estimate of the Lac à l'Orignal Phosphate Property, Saguenay-Lac-Saint-Jean Region, Northern Quebec (the "Technical Report") as prepared by Antoine Yassa, P. Geo, registered geologist of 3602 Rang des Cavaliers, Rouyn-Noranda, J0Z 1Y2.

On June 17, 2022, the Company entered into an option agreement (the "Agreement"), which was subsequently amended, with an arm's length TSX Venture Exchange listed company (the "Optionor"), which provides the Company the right to acquire a 100% legal and beneficial interest, subject to an existing 1% net smelter return (NSR) royalty, in a phosphate exploration property in the Province of Quebec covering approximately 60.6 sq km of land. Pursuant to the Agreement, the Company acquired the interest in the Property by paying a total cash consideration of $1,491,000 as follows:

(i) $191,000 on June 17, 2022, which payment was made
(ii) $300,000 on or before July 7, 2022, which payment was made
(iii) $100,000 on or before July 25, 2022 (as amended), which payment was made
(iv) $400,000 on or before August 25, 2022 (as amended), which payment was made
(v) $250,000 on or before September 14, 2022 (as amended), which payment was made
(vi) $250,000 by issuing a non interest bearing promissory note with the maturity date of February 17, 2023, on or before September 14, 2022 (as amended), which was issued and paid for.

In addition, pursuant to the Agreement, the Company has issued to the Optionor 6,000,000 Common Shares of the Company at $0.25 per share for the purchase of mineral properties for total value of $1,500,000. The Common Shares are subject to a resale restriction with 10% of such shares being released on March 31, 2023 and 15% of such shares being released every three months thereafter.

Further, as part of the transaction, the Company paid finders an aggregate of 700,000 Common Shares of the Company at $0.02 per share for total value of $14,000.

The Company purchased the 1% NSR royalty relating to the above property for $50,000.

In the event, the Company had more than 85,000,000 shares issued and outstanding on a fully diluted basis at the time of completing its Listing on the Canadian Securities Exchange (the "CSE"), the Company was committed to issue additional shares to the optionor computed as:

(a) 8.95% multiplied by; (b) the number of issued and outstanding shares on a fully diluted basis at the time of completing the CSE Listing; (c) less 6,000,000 shares already issued to the optionor.

On the date of the Listing, the Company's total number of issued and outstanding on a fully diluted basis was not more than 85,000,000. Accordingly, no additional shares were issued to the optionor.

The Company also purchased two mineral claims representing approximately one sq km of land originally owned by three individuals in the proximity of the Property for $15,000 paid in cash.

The Company entered into another option agreement with 2 individuals, to acquire 11 mineral claims representing approximately 5.6 sq km of land in the Province of Quebec in the proximity of the Lac `a l'Orignal property. A total consideration of $90,000 has been paid in cash for the acquisition of claims.

On September 12, 2022, the Company entered into an agreement to purchase 7 mining claims in this region of the Province of Quebec for total consideration of $21,000 comprised of $7,000 settled by issuing 28,000 shares at $0.25 per share and $ 14,000 in cash. Further, the Company has paid $89,709 in cash for claim staking in the year ended February 28, 2023.

The Company incurred $633,691 in mining exploration and metallurgy expenses in this area in the fiscal year.

Milestones

The Company's next significant milestone is to advance it's Lac à l'Orignal Phosphate project towards a Preliminary Economic Assessment ("PEA"). This Property will consist of a two-phase exploration and development program, as follows:

Phase 1 – the Company will finish ongoing metallurgical testwork programs and complete PEA, in order to develop a mine and site operations plan as a basis for future, more advanced engineering and economic studies of the Lac à l'Orignal Phosphate project. The PEA will also determine the requirements for additional drilling and exploration work to upgrade the current Inferred Mineral Resources to Indicate Mineral Resources and Indicated Mineral Resources to Measured Mineral Resources. The Company re-commenced permitting and baseline environmental studies and community consultation activities in 2021 and it is recommended that work continue on these initiatives.

With a view to a future, post-PEA level studies, the Company will conduct environmental baseline studies commence on the Lac à l'Orignal property and stakeholder engagement and consultations be carried out. The baseline studies should focus on aquatic, terrestrial and hydrological monitoring and documentation. A formal community, government, and stakeholder consultation plan should be developed and implemented, and all activities documented.

The Company intends to use its financial resources primarily in the exploration and development of the Property.

To the extent that additional funds are available beyond what is required by the Company in regard to exploring the Property, the Company may consider acquisitions of additional exploration properties.

The Company's immediate short-term objectives will be to:

(a) conduct the first phase exploration program on the property as recommended in the Technical Report;

(b) based on the success of Phase 1 at the Property, complete the second phase exploration program as recommend in the Technical Report.

The costs to complete the Phase 1 program was estimated to be $495,000 and estimated to take 12 months to complete. As of the date of this MD&A, the Company has incurred $295,000 and forecasts that it will need to incur $200,000 and complete the PEA by Q4 2023.

Begin - Lamarche Area

On July 27, 2022, the Company purchased 24 mining claims in this region of the Province of Quebec for a total consideration of $222,500 which comprised of $12,500 settled by issuing 50,000 shares at $0.25 per share and $210,000 in cash. Further, the Company has paid $41,700 in cash for claim staking in the year ended February 28, 2023.

The Company incurred $550,772 in mining & metallurgy expenses in this area in the fiscal year. The Company has forcasted that it will need to incur $500,000-$1,000,000 for its drilling program in the Begin - Lamarche Area which is anticipated to be completed in by Q4 2024.

Bluesky Area

On September 12, 2022, the Company purchased 23 mining claims in this region of the Province of Quebec for total consideration of $50,000 which comprised of $40,000 settled by issuing 160,000 Common Shares at $0.25 per share and $10,000 in cash. Further, the Company has paid $59,325 in cash for claim staking in the year ended February 28, 2023.

The Company incurred nil mining & metallurgy expenses in this area in the fiscal year. The Company has forcasted that it will need to incur for its anticipated general reconnasiance for its Blue Sky Area which is anticipated to take place before Q4 2024.

Changes in Management

On June 23, 2022, the Company announced that Laurence W. Zeifman joined the Board, in addition, Bennett Kurtz had resigned as CEO, while remaining as CFO, and John Passalacqua had been appointed as CEO. On September 28, 2022, the Company announced that Peter Kent has been appointed as President. Mr. Kent joined the Board as a director at the Company's annual shareholders meeting in August. On May 23, 2023, Garry Siskos, CPA, CA was appointed Chief Operating Officer and Chief Financial Officer of the Company. The Company's outgoing Chief Financial Officer, Bennett Kurtz, moved to the position of Chief Administrative Officer. Gilles Laverdière was appointed as Chief Geologist for the Company.

Changes in Share Capital

On June 28, 2022, the Company completed a non-brokered private placement of 19,300,000 Common Shares in the capital of the Company at a price of $0.02 per share for aggregate gross proceeds of $386,000. Legal fees of $11,655 were incurred by the Company relating to the issuance and has been recorded as share issuance costs. Also, 700,000 shares at $0.02 per share for total value of $14,000 were issued as finder's fee for mineral properties on the same date.

On July 11, 2022, 500,000 options were exercised at $0.02 per share for gross proceeds of $10,000. The fair value of options on the grant date was computed as $3,927 and was reclassified upon exercise from contributed surplus to share capital. The weighted average share price at the date of exercise was $0.50.

On August 23, 2022, the Company issued 7,035,000 Common Shares at $0.25 per share for gross proceeds of $1,758,750. As broker's fee for the private placement, the Company made cash disbursements of $67,560 and recorded as share issuance costs.

The Company issued 6,050,000 Common Shares at $0.25 per share under purchase agreements for exploration assets with a fair value of 1,512,500. On September 12, 2022, the Company issued 28,000 Common Shares at $0.25 per share for mining claims in the Lac `a l'Orignal flagship area and 160,000 Common Shares at $0.25 per share for mining claims in the Bluesky area.

On August 31, 2022, the Company issued 1,594,000 shares at $0.25 per share for gross proceeds of $398,500. The Company paid $13,280 and issued 323,360 common share purchase warrants as brokers' fees for the issuances, recorded as share issuance costs. The fair value of the warrants was determined based on the Black Scholes pricing model at $43,395.

On December 1, 2022, the Company issued 685,716 units at $0.35 per unit for gross proceeds of $ 240,001. On December 22, 2022, the Company issued 3,647,362 units at $0.35 per unit for gross proceeds of $1,276,577. Further on January 17, 2023, the Company issued 1,574,784 units at $0.35 per unit for gross proceeds of $551,174 and on February 15, 2023, the Company issued 3,023,142 units at $0.35 per unit for gross proceeds of $1,058,100. Each unit consisted of one share and one half of one common share purchase warrant. Each whole warrant is exercisable for one additional share at a price of $0.50 until December 31, 2025. The value of share capital was determined using the fair market value of the shares on the date of issuance. The Company paid $57,544 as brokers' fees and issued 182,697 warrants as brokers' warrants. The fair value of the broker warrants was computed as $36,031 using the Black Scholes pricing model and recorded as share issuance costs. The Company has accrued $149,092 incurred as legal fees related to the issuance of shares as at February 28, 2023. The net proceeds raised from the sale of such units will be used for general working capital expenses.

On December 1, 2022, the Company issued 600,000 flow-through ("FT") units at $0.40 per unit for gross proceeds of $240,000. On December 22, 2022 the Company issued 1,472,000 FT units at $0.40 per unit for gross proceeds of $588,800. On December 30, 2022 the Company issued 1,250,000 FT units at $0.40 per unit for gross proceeds of $500,000. Each FT unit consists of one flow-through common share and one half of one common share purchase warrant. Each whole warrant is exercisable for one additional non-flow through share at a price of $0.50 until December 31, 2025.

The value of share capital was determined using the fair market value of the shares on the date of issuance. The Company issued 99,400 warrants and paid $46,160 as brokers' fees for the private placement. The fair value of the broker warrants was computed as $23,585 using Black Scholes pricing model and recorded to share issuance costs. The total FT proceeds received from the above transactions was $1,328,800, which includes a flow through share premium of $166,100 ($.05 per unit). The net proceeds raised from the sale of FT offering will be used to incur "Canadian exploration expenses" that are "flow-through mining expenditures" (as such terms are defined in the Income Tax Act (Canada)).

The Company issued 100,000 shares as payment for consulting services rendered of value $35,000.

Subscriptions of $46,119 for 184,480 warrants were received as at February 28, 2023 and have been recorded as shares to be issued. The fair value of these warrants on the grant date was computed as $22,138 and was reclassified upon exercise from contributed surplus to shares to be issued. The shares were issued on March 9, 2023.

Investment and Purchase of License

On January 10, 2023, the Company entered into an investment and licensing option agreement ("Agreement") with Integrals Power Limited ("IPL"), a UK company, under the terms of which the Company acquired 7,386 IPL shares for £50,000 ($83,060). Under the terms of the Agreement, IPL granted an option to acquire a license to use IPL technology in a facility of a production capacity of up to 1,000-tonnes of lithium iron phosphate (LFP) cathode active material for a further payment of £950,000 (unpaid). IPL also granted the Company another option to acquire, for an additional upfront payment of £1,000,000 (unpaid), a license to use IPL technology in a facility of a production capacity beyond 1,000-tonnes. The Company is committed to a 1.5% royalty per kilogram of LFP cathode active material sold from the facility which uses IPL technology.

Subsequent Events

On March 9, 2023, the Company acquired 13 additional mineral claims in the Begin-Lamarche area for consideration of $22,825 from an arm's length party through the issuance of 27,173 common shares.

On March 9, 2023, the Company issued 238,240 Common Shares at $0.25 per share, on the exercise of brokers' warrants. Of these warrant exercise proceeds $46,119 had been received as at February 28, 2023 are recorded as shares to be issued in these financial statements.

On May 17, 2023, the Company issued 7,143 Common Shares at $0.50 per share, on the exercise of brokers' warrants, for total proceeds of $3,572.

On May 30, 2023, the Company issued 4,480 Common Shares at $0.25 per share, on the exercise of brokers' warrants, for total proceeds of $1,120.

On March 31, 2023, a consultant engaged by the Company as Vice President Public and Legal Affairs of the Company resigned from service. Of the 300,000 options issued to this consultant, 225,000 options were immediately cancelled and 75,000 have vested and are exercisable until March 31, 2024.

On May 23, 2023, Garry Siskos, CPA, CA was appointed Chief Operating Officer and Chief Financial Officer of the Company. The Company's outgoing Chief Financial Officer, Bennett Kurtz, moved to the position of Chief Administrative Officer. Gilles Laverdière was appointed as Chief Geologist for the Company.

On April 24, 2023, the Company issued 1,205,217 units at $0.70 per share for gross proceeds of $843,652. Each unit consists of one share and one half of one common share purchase warrant. Each whole warrant is exercisable for one additional share at a price of $1.25 until April 30, 2026. Also, the company issued 1,869,375 FT units at $0.80 per unit for gross process of $1,495,500. Each FT unit consists of one flow-through common share and one half of one common share purchase warrant. Each whole warrant is exercisable for one additional non-flow through share at a price of $1.25 until April 30, 2026. Total gross proceeds from the transaction were $2,339,152.

The Company issued 42,857 common shares at $0.51 per share and 149,654 warrants as broker's fees related to the private placement. Each whole warrant is exercisable for one additional non-flow through share at a price of $1.25 until April 30, 2026.

On April 24, 2023, the Company granted 100,000 options exercisable at $0.70 per share to a consultant. The options vest as follows: (i) 25% vested on April 24, 2023 (ii) increments of 25% vest every six months after March 1, 2023. These options expire three years from the grant date.

On April 24, 2023, the Company granted 732,000 options exercisable at $0.70 per share to a consultant. The options vest as follows: (i) 25% vested on April 24, 2023, (ii) increments of 25% vest every six months after April 1, 2023. These options expire three years from the grant date.

On April 5, 2023, 225,000 stock options were cancelled.

RESULTS OF OPERATIONS

For the three months ended February 28, 2023

The following analysis of the Company's operating results in the three months ended February 28, 2023, includes a comparison against the previously completed three months ended February 28, 2022.

Revenue:

The Company has no revenue, as there are no active revenue-generating operations.

Expenses:

Professional fees for the three months ended February 28, 2023, were $93,377 compared to $14,863 for the three months ended February 28, 2022. The professional fees comprise of the following:

	For the three months ended February 28, 2023 $	For the three months ended February 28, 2022 $
Legal fees	3,351	863
Accounting fees	65,616	5,000
Audit fee	13,848	9,000
	82,815	14,863

The increase in legal fees is reflective of filings and other general matters of the Company. The increase in accounting fees and audit fees is due to the increase in the level of activities.

Mining exploration and metallurgy expense for the three months ended February 28, 2023 were $1,179,556 compared to $nil for the year ended February 28, 2022.

Business development expenses for the three months ended February 28, 2023 were $ 138,052 compared to $nil for the year ended February 28, 2022.

Consulting fees for the three months ended February 28, 2023 were $32,563 compared to $nil for the three months ended February 28, 2022. Consulting fees were incurred relating to market research, stock market advisory, website development and website audit.

Management fees for the three months ended February 28, 2023 were $148,000 compared to $nil for the three months ended February 28, 2022. Management fees relates to the Company's President, CEO and CFO services.

Director's Fees for the three months ended February 28, 2023 were $16,500 compared to $nil for the three months ended February 28, 2022. Directors fees have been incurred for the two independent directors of the Company.

General and administrative expenses for the three months ended February 28, 2023 were $124,523 compared to $nil for the three months ended February 28, 2022. The expenses include bank service charges, travel expenses, couriers and postage.

Regulatory filing fees for the three months ended February 28, 2023 were $88,022 compared to $836 for the three months ended February 28, 2022. The increase in costs is reflective of various filings for the Company.

Share based compensation for the three months ended February 28, 2023 were $403,734 compared to $nil for the three months ended February 28, 2022. Share based compensation was recorded for issuance of stock options to management, directors and consultants of the Company.

Loss for the period

The net loss for the three months ended February 28, 2023 was $2,213,766 as compared to $15,715 for the three months ended February 28, 2022. This represents an increase in net loss of $ 2,198,051 and is due to the items discussed above.

<u>For the year ended February 28, 2023</u>

The following analysis of the Company's operating results are for the year ended February 28, 2023, includes a comparison against the year ended February 28, 2022.

Revenue:

The Company has no revenue, as there are no revenue-generating operations.

Expenses:

Professional fees for the year ended February 28, 2023 were $371,631 compared to $54,738 for the year ended February 28, 2022. The professional fees comprises of the following:

	For the year ended February 28, 2023 $	For the year ended February 28, 2022 $

Legal fees	249,416	27,725
Accounting fees	86,562	16,125
Audit fees	35,653	10,888
	371,631	54,738

The increase in legal fees is reflective of filings and other general matters of the Company. The increase in accounting fees and audit fees is reflective of accruals for accounting services and annual audit respectively.

Mining exploration and metallurgy expenses for the year ended February 28, 2023 were $1,184,443 compared to $nil for the year ended February 28, 2022.

Business development expenses for the year ended February 28, 2023 were $ 377,387 compared to $nil for the year ended February 28, 2022.

Consulting fees For the year ended February 28, 2023 were $57,366 compared to $nil for the year ended February 28, 2022. Consulting fees were incurred relating to market research, stock market advisory, website development and website audit.

Management fees for the year ended February 28, 2023 were $308,389 compared to $nil for the year ended February 28, 2022. Management fees relates to the Company's President, CEO and CFO services.

Director's fees For the year ended February 28, 2023 were $66,500 compared to $nil for the year ended February 28, 2022. Director fees have been incurred for the two independent directors of the Company.

General and administrative expenses for the year ended February 28, 2023 were $202,233 compared to $nil for the year ended February 28, 2022. The expenses include bank service charges, travel expenses, couriers and postage.

Regulatory and compliance expenses for the year ended February 28, 2023 were $159,254 compared to $9,779 for the year ended February 28, 2022. The increase in costs is reflective of filings for the Company.

Share based compensation for the year ended February 28, 2023 was $542,805 compared to $nil for the year ended February 28, 2022. Share based compensation was recorded for issuance of stock options to management, directors, and consultants of the Company.

Gain on recognition of fair value of loan for the year ended February 28, 2023 were $6,877 compared to $nil for the year ended February 28, 2022. The benefit of below market interest rate on the loan was recorded as a gain on recognition of fair value of loan.

Gain on amortization of flow through liability for the year ended February 28, 2023 were $74,767 compared to $nil for the year ended February 28, 2022.

Loss for the period
The net loss for the year ended February 28, 2023 was $3,188,364 as compared to $64,517 for the year ended February 28, 2022. This represents an increase in net loss of $3,123,847 and is due to the items discussed above.

SELECTED ANNUAL INFORMATION

	Year ended Feb. 28/23	Year ended Feb. 28/22	Year ended Feb. 28/21	Year ended Feb. 29/20
	$	$	$	$
Net loss	(3,188,364)	64,517	65,661	16,250
Basic & diluted loss per share	(0.13)	(0.11)	(0.37)	(0.13)
Total assets	5,933,078	-	26,181	-

SUMMARY OF QUARTERLY RESULTS

The following quarterly financial data is derived from the financial statements of the Company for the three-month periods ended on the dates indicated below. The information should be read in conjunction with the Company's annual audited financial statements and the accompanying notes thereto.

	Feb 28/23 $	Nov 30/22 $	Aug 31/22 $	May 31/22 $
Total assets	5,933,078	4,989,371	3,749,914	52,437
Working capital (deficiency)	1,695,036	71,610	607,249	(169,902)
Shareholders' equity	5,422,330	3,482,734	3,608,536	(132,639)
Net loss	2,138,999	739,398	250,006	59,961
Loss per share	0.05	0.02	0.02	0.10

	Feb 28/22 $	Nov 30/21 $	Aug 31/21 $	May 31/21 $
Total assets	-	-	-	1,950
Working capital (deficiency)	(72,678)	(56,963)	(46,572)	(25,183)
Shareholders' equity	(72,678)	(56,963)	(46,572)	(25,183)
Net loss	15,715	10,391	21,389	17,022
Loss per share	$0.03	$0.02	$0.04	$0.03

LIQUIDITY AND CAPITAL RESOURCES

	February 28, 2023	February 28, 2022	February 28, 2021	February 29, 2020
	$	$	$	$
Working capital (deficiency)	1,695,036	(72,678)	(8,161)	(22,500)

Deficit	13,655,206	10,466,842	10,402,325	10,336,664

The Company's financial instruments consist of cash, restricted cash, investments and accounts payable. The fair value of these financial instruments approximates their carrying value, unless otherwise noted. The Company is not exposed to significant interest, currency, or credit risk arising from financial instruments.

The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing. If the Company is not successful in raising sufficient capital, the Company may have to curtail or otherwise limit its operations. From time to time the Company works to raise additional capital through private placements or other equity financing. The company currently has sufficient funds to operate for the next fiscal year. See "Risk Factors" of this MD&A.

As of February 28, 2023, the Company has cash of $1,180,318 and $419,415 in current liabilities. The Company intends to raise capital by future financings. However, current market conditions make it difficult to raise funds by private placements of shares. There is no guarantee that additional financing will be available or that it will be available on terms acceptable to management of the Company. These factors all cast doubt about the liquidity of the Company and its ability to continue as a going concern.

As of June 28, 2023, the Company has budgeted a cash requirement of $2,252,803 for the period ended February 28, 2024, with major expenses, amounting to $1,179,800, being incurred on mining activities in the Lac L'Orignal flagship area. The Company has also budgeted $250,000 on mining activities in the Begin - Lamarche area, but has not budgeted any expenditure in the Bluesky area. The budgeted cash expenditures include amounts budgeted for compensation and operational general and administrative expenses of $823,003 during the period ended February 28, 2024.

The Company antipates similar expenditues in the fiscal year 2025 based on the drilling results of fiscal year 2024.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not utilize off-balance sheet transactions.

CAPITAL STOCK

The authorized capital stock of the Company is an unlimited number of Common Shares and an unlimited number of preferred shares issuable in series. As at February 28, 2023, the Company had 48,318,722 Common Shares outstanding with a paid up capital of $16,923,000 and as at February 28, 2022, the Company had 598,718 Common Shares outstanding with a paid-up capital of $8,927,636. The Company approved and completed a consolidation of the issued and outstanding Common Shares based on 1 post-consolidation common share for every 500 pre-consolidation Common Shares on May 27, 2022. As at the date of this MD&A, the Company has 51,713,207 Common Shares outstanding.

Options

The Company adopted a Stock Option Plan (the "Plan") on August 25, 2022 (the "effective date") under which the Company is authorized to grant stock options entitling option holders to purchase up to that number of Common Shares that is equal to 20% of the issued and outstanding Common Shares of the Company as at the effective date of the Plan. The Company is authorized to issue up to 6,836,744 options.

The Board fixes the exercise price of any stock option when such stock option is granted, which shall be no lower than the exercise price permitted by the CSE. A stock option is exercisable during a period established by the Board, commencing on the date of the grant and shall terminate no later than ten years after the date of the grant of the award or such shorter period as the Board may determine. Vesting conditions will be determined by the Board at each grant date except in the case of stock options issued to consultants engaged in investor relations activities which will vest in nine months in quarterly intervals beginning on the grant date.

	Number of Options	Weighted Average Exercise Price $
Outstanding, February 28, 2021	4,650	70
Expired during the year	(4,250)	75
Outstanding, February 28, 2022	400	35
Issued during the year	6,725,000	0.28
Expired during the year	(400)	35
Exercised during the year	(500,000)	0.02
Outstanding as at February 28, 2023	6,225,000	0.30

The following is a summary of options outstanding as at February 28, 2023:

Expiry date	Number of options outstanding	Number of options exercisable	Exercise price $	Life remaining
February 22, 2026	3,075,000	768,750	0.25	2.99
February 22, 2026	3,150,000	787,500	0.35	2.99

During the year ended February 28, 2023, the Company recorded $542,805 of share-based compensation related to the vesting of options (February 28, 2022 - $nil). The fair value of options was based on the Black Scholes pricing model, with the following weighted average inputs:

Weighted Averages	
Share price	$0.28
Dividend yield	Nil
Exercise price	$0.28
Risk Free interest rate	3.60%
Expected volatility	100%
Expected expiration	3.13

As at the date of MD&A, the Company has 6,832,000 options outstanding and of which 1,556,250 options are exercisable.

Warrants

During the year ended February 28, 2023, the Company issued 323,360 warrants at an exercise price of $0.25 per share and 282,097 warrants at an exercise price of $0.50 per share as broker fees for private placements. 6,126,500 warrants were issued at an exercise price of $0.50 per share as part of several private placements that took place during the year ended February 28, 2023.

	Number of warrants	Weighted Average Exercise Price $
Outstanding as at February 28, 2022	124,224	0.32
Issued during the year	6,731,957	0.49
Cancelled during the year	(124,224)	0.32
Exercised during the year	(184,480)	0.25
Outstanding as at February 28, 2023	6,547,477	0.49

The following is a summary of warrants outstanding as at February 28, 2023:

Expiry date	Number of warrants	Exercise price $	Weighted average life remaining
August 23, 2024	138,880	0.25	1.48
December 31, 2025	6,408,597	0.50	2.84

Warrants issued as part of units are valued using the residual method in accordance with the Company accounting policy, with a value of $Nil for the year ended February 28, 2023 (2022 - $Nil) for the 6,126,500 granted. The fair value of the 605,457 finders warrants granted was estimated to be $103,011 at the grant date, based on the Black Scholes pricing model, with the following weighted average inputs:

Weighted Averages	
Share price	$0.30
Dividend yield	Nil
Exercise price	$0.37
Risk Free interest rate	3.48%
Expected volatility	100%
Expected expiration	2.48

As at the date of MD&A, the Company has 8,169,044 warrants outstanding and exercisable.

RELATED PARTY TRANSACTIONS

Related parties and related party transactions impacting the accompanying financial statements are summarized below and include transactions with the following individuals or entities:

Key Management Personnel

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board and corporate officers. They are listed below:

Related party	**Relationship**
John Passalacqua	Chief Executive Officer and Director
Peter Kent	President and Director
Laurence W. Zeifman	Chairman
Bennett Kurtz	Chief Adminstrative Officer(1)(2)
Marc Branson	Independent Director
Gilles Laverdiere	Chief Geologist(2)
Garry Siskos	Chief Financial Officer(2) and Chief Operating Officer(2)

Notes:
1. Previously, Chief Financial Officer.
2. Effective May 23, 2023.

Remuneration attributed to key management personnel can be summarized as follows:

	For the year ended February 28, 2023	**February 28, 2022**
	$	**$**
Management fees	308,389	-
Director's fees	66,500	-
Share based compensation	320,160	-
	695,049	-

Due from Related Parties

As of February 28, 2023, $30,000 (February 28, 2022, $nil) was included prepaid expenses as an amount paid to a director of the Company in advance for services expected to be received in the fiscal year 2024.

Due to Related Parties

As of February 28, 2023, $79,290 (February 28, 2022, $58,617) was included in accounts payable as amount due to key management personnel for services received during the year.

The Company issued a promissory note payable of $850,000 to a related party. This promissory note was paid in cash in full during the year ended February 28, 2023.

Glen Eagle Transaction

On May 11, 2023, the Company announced that it reached an agreement for the purchase of 50% of Common Shares owned by Glen Eagle Resources Inc. ("Glen Eagle") by the directors and officers of the Company (the "Purchasers"). Glen Eagle originally received Common Shares for the sale of the Lac à l'Orignal flagship property to the Company on September 12, 2022. The transaction closed on June 20, 2023 for the aggregate consideration of $570,000 at the deemed price of $0.2185 per Common Share.

Through this agreement, Mr. Passalacqua (through Shpirtrat Trust, of which Mr. Passalacqua is a trustee) acquired 1,212,712 Common Shares, Mr. Kent (through Peter Kent Investments Inc., a company owned and controlled by Mr. Kent acquired 155,506 Common Shares, Mr. Zeifman (through Z Six Financial Corporation, a company owned and controlled by Mr. Zeifman and his spouse) acquired 22,881 Common Shares, Mr. Kurtz (through POF Capital Corp., a company owned and controlled by Mr. Kurtz) acquired 22,881 Common Shares, Mr. Branson (through Capwest Investment Corp., a company owned and controlled by Mr. Branson) acquired 22,881 Common Shares, Mr. Lavediere acquired 22,881 Common Shares, and Mr. Siskos acquired 183,051 Common Shares. The acquired Common Shares from Glen Eagle are scheduled to be released from escrow in 2023 and in 2024.

The Purchasers' participation in the transaction was completed for investment purposes and all Common Shares remain subject to escrow time-based release schedules, as more particularly described in the Company's listing statement dated February 15, 2023 and filed on SEDAR on February 22, 2023. In the future, the Purchasers will evaluate their investment in the Company from time to time and may, based on such evaluation, market conditions and other circumstances, increase or decrease their shareholdings as circumstances require through market transactions, private agreements, or otherwise.

FINANCIAL INSTRUMENTS

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data.

The following table sets forth the Company's financial assets measured at fair value by levels within the fair value hierarchy:

	As at February 28, 2023			
	Level 1	**Level 2**	**Level 3**	**Total**
	$	**$**	**$**	**$**
Cash	1,180,318	-	-	1,180,318
Investments	-	-	83,060	83,060
	1,180,318	**-**	**83,060**	**1,263,378**

The investments in Level 3 include the investment in privately held companies that are not quoted on an exchange. The costs approximate the fair values as there is insufficient more recent information available to measure fair value.

The Company measures its cash and cash equivalents using unadjusted quoted prices in active markets for identical assets or liabilities. The Company measures its restricted cash, accounts payable and loans payable at amortized cost.

The Company is exposed in varying degrees to a variety of financial instrument related risks:

Credit risk
Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company is not exposed to significant credit risk as its maximum exposure relates to cash and restricted cash balances totaling $1,215,318.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

The Company as at February 28, 2023, has $1,180,318 in cash and $35,000 in restricted cash and $419,415 in financial liabilities, which represents the Company's maximum exposure to liquidity risk.

The following are the contractual maturities of financial liabilities.

As at February 28, 2023

	Carrying amount $	**Contractual cash flows $**	**Less than 1 year $**	**1-3 years $**
Accounts payable	146,658	146,658	146,658	-
Accrued liabilities	272,757	272,757	272,757	-
	419,415	**419,415**	**419,415**	**-**

As at February 28, 2023, the Company has sufficient working capital to satisfy its financial liabilities.

The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing. If the Company is not successful in raising sufficient capital, the Company may have to curtail or otherwise limit its operations. From time to time the Company works to raise additional capital through private placements or other equity financing. The Company does not currently have any operations generating cash. The Company is therefore dependent upon debt and equity financing to carry out its plans. There can be no assurance that such financing will be available to the Company.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and equity prices.

a) Interest rate risk

   Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

   The risk that the Company will realize a loss as a result of a change in the interest rate is low, as the Company has no investments or liabilities with variable interest rates.

b) Foreign currency risk

As at February 28, 2023 and February 28, 2022, the Company's significant expenditures are in Canadian dollars, and any future equity raised is expected to be in Canadian dollars. As a result, the Company believes its currency risk to be minimal.

c) Price risk

Price risk is related to equity and commodity price risks. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. As the Company holds no equity or commodity related investments or assets, the Company has no exposure to price risk.

RISK FACTORS

The Company is subject to the normal risks entailed in mineral exploration and development. These can involve a number of known and unknown risks, uncertainties, and other factors that may cause the actual results, performance, or achievements to be materially different from any expected future results, performance, or achievements. The discovery, development and acquisition of mineral properties are in many instances unpredictable events. Future commodity prices, the success of exploration programs, and other property transactions can have a significant impact on capital requirements. In addition, risk factors that could affect the Company's future results, include, but are not limited to, foreign exchange, competition, risk inherent in mineral exploration and development, and policies including mineral tenure, trade laws and policies, receipt of permits and approvals from government authorities, and other operating and development risks.

Limited Operating History

The Company has a limited operating history and no operating revenues. There is no assurance that the Property or any other property or business that the Company may acquire or undertake will generate earnings, operate profitably or provide a return on investment in the future.

Because of the unique difficulties and uncertainties inherent in mineral exploration ventures, the Company faces a high risk of business failure.

Potential investors should be aware of the difficulties normally encountered by mineral exploration companies and the high rate of failure of such enterprises. The likelihood of success must be considered in light of the problems, expenses, difficulties, complications and delays encountered in connection with the exploration program that the Company intends to undertake on its properties and any additional properties that the Company may acquire. These potential problems include unanticipated problems relating to exploration, and additional costs and expenses that may exceed current estimates. The expenditures to be made by the Company in the exploration of its properties may not result in the discovery of mineral deposits. Any expenditures that the Company may make in the exploration of any other mineral property that it may acquire may not result in the discovery of any commercially exploitable mineral deposits. Problems such as unusual or unexpected geological formations and other conditions are involved in all mineral exploration and often result in unsuccessful exploration efforts. If the results of the Company's exploration do not reveal viable commercial mineralization, the Company may decide to abandon some or all of its property interests.

Compared to other mineral exploration companies, the Company is very small, has few resources and must limit its exploration.

The Company is a small, junior mineral exploration company in an industry dominated by many larger companies that have substantial amounts of capital and management expertise. The Company does not have the human resources or financial resources to compete with senior mineral exploration companies, which could and probably would spend more time and money exploring mineral exploration properties and have better odds of finding a mineral reserve. As a result, the Company must limit its exploration and it may be unsuccessful in finding a mineral reserve or, if it does, it may not have sufficient financial resources or management expertise to effectively develop such a reserve, which means that future investors could lose a portion or all of any funds they invest in the Company.

The Company will have to suspend its exploration plans if it does not have access to all of the supplies and materials needed in order to carry out such plans.

Competition and unforeseen limited sources of supplies in the industry could result in occasional spot shortages of supplies and equipment that the Company might need to conduct exploration. If it cannot find the products and equipment needed, the Company will have to suspend its exploration plans until it is able to find the products and equipment that are needed. This could have a negative impact on the Company's Common Share price.

There are inherent dangers involved in mineral exploration and the Company may incur liability or damages as it conducts its business.

The search for valuable minerals involves numerous hazards. As a result, the Company may become subject to liability for such hazards, including pollution, cave-ins and other hazards against which the Company cannot insure or against which it may elect not to insure. The payment of such liabilities may have a material adverse effect on the Company's financial position.

If the Company becomes subject to burdensome government regulation or other legal uncertainties, there could be a negative impact on the Company's business.

There are numerous provincial and federal governmental regulations that materially affect the operations of mineral exploration and mining companies. In addition, the legal and regulatory environment that pertains to the exploration and development of mineral exploration properties is uncertain and may change. Uncertainty and new regulations could increase the costs of doing business and prevent the Company from exploring or developing mineral deposits. The growth of demand for minerals may also be significantly slowed. This could delay growth in potential demand for and limit the Company's ability to generate revenues. In addition to new laws and regulations being adopted, existing laws may be applied to mineral exploration activities that are carried out by companies in the mining industry, which may negatively affect the Company. New laws may be enacted that may increase the cost of doing business which may have an adverse impact on the Company's financial condition and results of operations.

New mineral exploration companies have a high failure rate.

New mineral exploration companies generally encounter numerous difficulties and there is high rate of failure of such enterprises. The likelihood of success must be considered in light of the problems, expenses, difficulties, complications and delays encountered in connection with the exploration of the mineral properties that the Company hopes to undertake. These potential problems include, but are not limited to, unanticipated problems relating to exploration, and additional costs and expenses that may exceed current estimates. Very few mineral exploration properties actually contain commercially viable mineral deposits. The Company has no history upon which to base any assumption as to the likelihood that its business will prove successful, and the Company can provide no assurance that it will generate any operating revenues or ever achieve profitable operations. If the Company is unsuccessful in addressing these risks, its business could fail.

Fluctuations in commodity prices may adversely affect the Company's prospective revenue, *profitability and working capital position.*

The Company's future revenues and cash flows are subject to fluctuations in commodity prices. Commodity prices are affected by a variety of factors beyond the Company's control including interest rate changes, exchange rate changes, international economic and political trends, inflation or deflation, fluctuations in the value of the Canadian dollar and foreign currencies, global and regional supply and demand, changes in industrial demand and the political and economic conditions of major commodity producing countries throughout the world.

The Company's exploration and development properties may not be successful and are highly speculative in nature.

The Company's activities are focused on the exploration for and the possible future development of mineral deposits. The exploration for, and development of, mineral deposits involve significant risks which even a combination of careful evaluation, experience and knowledge cannot eliminate. While the discovery of a mineral deposit may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size, grade and proximity to infrastructure; metal prices which are highly cyclical and unpredictable; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of precious metals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital or abandoning or delaying the development of a mineral project. There is no certainty that the expenditures made by the Company towards the search and evaluation of mineral deposits will result in discoveries of commercial quantities of such minerals.

The exploration and development of natural resources involve a high degree of risk and few properties which are explored are ultimately developed into producing properties. Although the mineral resource figures set out herein have been carefully prepared by independent mining experts, these amounts are estimates only and no assurance can be given that an identified mineral resource will ever qualify as a commercially mineable (or viable) ore body which can be legally and economically exploited. In addition, the grade of mineralization ultimately mined may differ from that indicated by drilling results and such differences could be material. Production can be affected by such factors as permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions.

Short-term factors, such as the need for orderly development of deposits or the processing of new or different grades, may have an adverse effect on mining operations and on the results of operations. There can be no assurance that minerals recovered in small scale laboratory tests will be duplicated in large scale tests under on-site conditions or in production scale operations. Material changes in reserves or resources, grades, dilution estimates or recovery rates may affect the economic viability of a project. The long-term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors.

Substantial expenditures are required to establish mineral resources through drilling, to develop processes to extract the resources and, in the case of new properties, to develop the extraction and processing facilities and infrastructure at any site chosen for extraction. Although substantial benefits may be derived from the discovery of a major deposit, no assurance can be given that resources will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis.

Aboriginal title and land claims.

The Property may now or in the future be the subject of Aboriginal land claims, which is a matter of considerable complexity. The impact of any such claim on the Company's ownership interest in the Property cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of Aboriginal rights in the area in which the Property is located, by way of a negotiated settlement or judicial pronouncement, would not have an adverse effect on the Company's activities. Even in the absence of such recognition, the Company may at some point be required to negotiate with and seek the approval of holders of Aboriginal interests in order to facilitate exploration and development work on the Property, and there is no assurance that the Company will be able to establish a practical working relationship with the Indigenous in the area which would allow it to ultimately develop the Property.

Environmental and other regulatory risks may adversely affect the Company.

All phases of the Company's operations are subject to environmental regulation in the jurisdiction in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will likely require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors, and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on the properties on which the Company holds interests which are unknown to the Company at present and which have been caused by previous or existing owners or operators of the properties. Government approvals and permits are currently, and may in the future be, required in connection with the Company's operations. To the extent that such approvals are required and not obtained, the Company may be curtailed or prohibited from continuing its operations or from proceeding with planned exploration or development of mineral properties.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations. Amendments to current laws, regulations and permits governing operations and activities of mining and exploration companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in exploration expenses, capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

The Company's operations are subject to receiving and maintaining permits from appropriate governmental authorities. Although the Company's operations currently have all required permits for their operations as currently conducted, there is no assurance that delays will not occur in connection with obtaining all necessary renewals of such permits for the existing operations, additional permits for any possible future changes to operations, or additional permits associated with new legislation. Prior to any development on its property, the Company must receive permits from appropriate governmental authorities. There can be no assurance that the Company will continue to hold all permits necessary to develop or continue operating at any particular property.

Climate change may adversely affect the Company.

Governments are moving to enact climate change legislation and treaties at the international, national, state/provincial and local levels. Where legislation already exists, regulations relating to emission levels and energy efficiency are becoming more stringent. Some of the costs associated with meeting more stringent regulations can be offset by increased energy efficiency and technological innovation. However, if the current regulatory trend continues, meeting more stringent regulations is anticipated to result in increased costs.

Title to some of the Company's mineral properties may be challenged or defective.

The acquisition of title to mineral properties is a very detailed and time-consuming process. Title to mining claims may be disputed. Although the Company believes it has taken reasonable measures to ensure proper title to its current property, there is no guarantee such title will not be challenged or impaired. Third parties may have valid or invalid claims underlying portions of its interest, including prior unregistered liens, agreements, transfers or claims, including formal aboriginal land claims, informal aboriginal land claims accompanied by hostile activity, and title may be affected by, among other things, undetected defects. As a result, the Company may be constrained in its ability to operate its properties or unable to enforce its rights with respect to its current property or any future properties that it may acquire an interest in. An impairment to or defect in its title to its properties could have a material adverse effect on its business, financial condition or results of operations.

Current global financial conditions, particularly with respect to the war between Russia and Ukraine may adversely impact the Company and the value of the Company's shares.

Global markets are experiencing volatility and disruption following the escalation of geopolitical tensions and the start of the military conflict between Russia and Ukraine. On February 24, 2022, a full-scale military invasion of Ukraine by Russian troops was reported. Although the length and impact of the ongoing military conflict is highly unpredictable, the conflict in Ukraine could lead to market disruptions, including significant volatility in commodity prices, credit and capital markets, as well as supply chain interruptions.

The Company is continuing to monitor the situation in Ukraine and globally and assessing its potential impact on its business. In addition, Russian military actions and the resulting sanctions could adversely affect the global economy and financial markets and lead to instability and lack of liquidity in capital markets, potentially making it more difficult for the Company to obtain additional funds.

Any of the above-mentioned factors could affect the Company's business, prospects, financial condition, and operating results. The extent and duration of the military action, sanctions and resulting market disruptions are impossible to predict, but could be substantial. Any such disruptions may also magnify the impact of other risks described in this MD&A.

Obtaining and renewing licenses and permits.

In the ordinary course of business, the Company will be required to obtain and renew governmental licenses or permits for exploration, development, construction and commencement of mining at the Property. Obtaining or renewing the necessary governmental licenses or permits is a complex and time-consuming process involving public hearings and costly undertakings on the part of the Company. The duration and success of the Company's efforts to obtain and renew licenses or permits are contingent upon many variables not within the Company's control, including the interpretation of applicable requirements implemented by the licensing authority. The Company may not be able to obtain or renew licenses or permits that are necessary to its operations, including, without limitation, an exploitation license, or the cost to obtain or renew licenses or permits may exceed what the Company believes they can recover from the Property. Any unexpected delays or costs associated with the licensing or permitting process could delay the development or impede the operation of a mine, which could adversely impact the Company's operations and profitability.

Liquidity Risk.

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company as of February 28, 2023, has $1,181,413 cash in trust and $419,415 in current liabilities. The Company is exposed to liquidity risk. Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements and loans from related and other parties. The Company’s access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

Reliance on Management and Key Personnel.

The Company’s success is largely dependent on the performance of its Board of Directors and management team. Qualified individuals are in high demand, and the Company may incur significant costs to attract and retain them. The loss of any of the Company’s senior management or key employees, or an inability to attract other suitably qualified persons when needed, could materially adversely affect its ability to execute its business plan and strategy, and it may not be able to find adequate replacements on a timely basis, or at all.

Conflicts of Interest.

The Company may be subject to various potential conflicts of interest because of the fact that some of its officers and directors may be engaged in a range of business activities. In addition, the Company’s executive officers and directors may devote time to their outside business interests, so long as such activities do not materially or adversely interfere with their duties to the Company. In some cases, the Company’s executive officers and directors may have fiduciary obligations associated with these business interests that interfere with their ability to devote time to the Company’s business and affairs and that could adversely affect the Company’s operations. These business interests could require significant time and attention of the Company’s executive officers and directors.

In addition, the Company may also become involved in other transactions which conflict with the interests of its directors and the officers who may from time-to-time deal with persons, firms, institutions or companies with which the Company may be dealing, or which may be seeking investments similar to those desired by it. The interests of these persons could conflict with those of the Company. In addition, from time to time, these persons may be competing with the Company for available investment opportunities.

Conflicts of interest, if any, will be subject to the procedures and remedies provided under applicable laws. In particular, in the event that such a conflict of interest arises at a meeting of the Company’s directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In accordance with applicable laws, the directors of the Company are required to act honestly, in good faith and in the best interests of the Company.

Insurance and uninsured risks.

The Company is exposed to risks inherent in the mining industry, including adverse environmental conditions and pollution, personal injury or death, labour disputes, unusual or unexpected geological conditions, legal liability, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena, property damage, floods, earthquakes, delays in mining and monetary losses and dust storms.

While the Company has obtained insurance to address certain risks in such amounts as it considers being reasonable, such insurance has limitations on liability that may not be able to cover all the potential liabilities and the insurance may not continue to be available or may not be adequate to cover any resulting liability. Moreover, such risks may not be insurable in all instances or, in certain instances, the Company may elect not to insure against certain risks because of high premiums associated with such insurance or other reasons. The payment of such uninsured liabilities would reduce the funds available to the Company and the occurrence of an event in which the Company is not fully insured against, could have a material adverse effect upon its business, operating results and financial condition.

Litigation

All industries, including the mining industry, are subject to legal claims, with and without merit. Legal proceedings may arise from time to time in the course of the Company's business. Such litigation may be brought from time to time in the future against the Company. Defense and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. The Company is not currently subject to material litigation, nor has the Company received any indication that any material claims are forthcoming. However, due to the inherent uncertainty of the litigation process, the Company could become involved in material legal claims or other proceedings with other parties in the future. The results of litigation or any other proceedings cannot be predicted with certainty. The cost of defending such claims may take away from management's time and effort in operating the business of the Company, and if the Company is incapable of resolving such disputes favourably, the resulting litigation could have a material adverse impact on the Company's financial condition, cash flow and results from operation.

Dependence on outside parties.

The Company will rely upon consultants, engineers, contractors and other parties for exploration, development, construction and operating expertise. Substantial expenditures are required to construct mines, to establish mineral reserves through drilling, to carry out environmental and social impact assessments, to develop metallurgical processes to extract metal from ore and, in the case of new properties, to develop the exploration and mineral processing infrastructure at any particular site. Deficient or negligent work or work not completed in a timely manner could have a material adverse effect on the Company.

Risks related to possible fluctuations in revenues and results.

The Company may experience significant fluctuations in its quarterly and annual results of operations for a variety of reasons, many of which are outside of the Company's control. Any fluctuations may cause the Company's results of operations to fall below the expectations of securities analysts and investors. This could have an adverse impact on the ability of a Shareholder to dispose of Common Shares, or on the market price of the Common Shares if trading of the Common Shares is possible in a marketplace.

Negative cash flow from operations.

The Company has positive working capital but negative cash flow from operating activities. The Company's cash flow is directly related to revenues generated from production and milling activities. In addition to cash flow from operations, ongoing operations may be dependent on the Company's ability to obtain equity financing by the issuance of capital and to generate profitable operations in the future. Significant amounts of capital expenditures are required in order for the Company to execute its business plan and there are no assurances that the Company will have sufficient funds for this purpose.

Although the Company anticipates it will have positive cash flow from operating activities in future periods, to the extent that the Company has negative cash flow in any future period(s), it will need to raise additional funds to cover this shortfall.

Force majeure.

The Company's projects now or in the future may be adversely affected by risks outside the control of the Company, including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

Land reclamation requirements may be burdensome.

Land reclamation requirements are generally imposed on companies with mining operations or mineral exploration companies in order to minimize long term effects of land disturbance. Reclamation may include requirements to: control dispersion of potentially deleterious effluents; and reasonably re-establish pre-disturbance landforms and vegetation.

In order to carry out reclamation obligations imposed on the Company in connection with exploration, potential development and production activities, the Company must allocate financial resources that might otherwise be spent on exploration and development programs. If the Company is required to carry out unanticipated reclamation work, its financial position could be adversely affected.

Risks relating to health and safety.

Mining, like many other extractive natural resource industries, is subject to potential risks and liabilities due to accidents that could result in serious injury or death. The impact of such accidents could affect the profitability of the Company's operations, cause an interruption to operations, lead to a loss of licenses, affect the reputation of the Company and its ability to obtain further licenses, damage community relations and reduce the perceived appeal of the Company as an employer.

There is no assurance that the Company has been or will at all times be in full compliance with all laws and regulations or hold, and be in full compliance with, all required health and safety permits. The potential costs and delays associated with compliance with such laws, regulations and permits could prevent the Company from proceeding with the development of a project or the operation or further development of a project, and any noncompliance therewith may adversely affect the Company's business, financial condition and results of operations. Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in exploration expenses, capital expenditures or production costs, reduction in levels of production at producing properties, or abandonment or delays in development of new mining properties.

Risks related to infrastructure.

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges and power sources are important determinants that affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations, financial condition and results of operations.

Risks related to market demands.

The markets that the Company participates in, particularly the LFP Battery market, may not grow as expected or at all, resulting in decreased demand for the Company's minerals. While the Company's goal is to increase its revenues, there can be no assurance that it will succeed in doing so. As a result, revenues may stagnate or decline, which may increase the Company's losses. Furthermore, phosphate is not currently listed as a critical mineral and may never be listed as a critical mineral, potentially negatively impacting the level of market demand for the Company's minerals.

The markets in which the Company operates are in their infancy and highly competitive, and the Company may not be successful in competing in these industries as the industry further develops. The Company currently faces competition from new and established domestic and international competitors and expect to face competition from others in the future, including competition from companies with new technology.

The worldwide energy storage market is in its infancy, and the Company expects it will become more competitive in the future. The Company also expects more regulatory burden as customers adopt this new technology. There is no assurance that LFP Battery energy storage systems will be successful in the respective markets in which they compete. A significant and growing number of established and new companies, as well as other companies, have entered or are reported to have plans to enter the energy storage market, including companies engineering forms of energy storage that do not require the minerals contained on the Property. The energy storage industry is highly competitive and dynamic.

Decreases in the retail prices of electricity from utilities or other renewable energy sources could make LFP Battery products less attractive to customers. Reduction in various rebate and incentive programs could also adversely affect the Company.

Dilution.

Securities of the Company, including Common Shares and rights, warrants, special warrants, subscription receipts and other securities to purchase, convert into or exchange into Common Shares, may be created, issued, sold and delivered on such terms and conditions and at such times as the Board may determine. In addition, the Company may issue additional Common Shares from time to time pursuant to share purchase warrants and options to purchase Common Shares issued from time to time by the Board. The issuance of these Common Shares could result in dilution to existing Shareholders.

Future sales by existing Shareholders could cause the Company's share price to fall.

Future sales of Common Shares by the Company or other shareholders could decrease the value of the Common Shares. The Company cannot predict the size of future sales by the Company or other Shareholders, or the effect, if any, that such sales will have on the future market price of the Common Shares. Sales of a substantial number of Common Shares, or the perception that such sales could occur, may adversely affect prevailing market prices for the Common Shares.

No Profits or Significant Revenues.

The Company's current and proposed operations are subject to all the business risks associated with new enterprises. These include likely fluctuations in operating results as the Company makes significant investments in exploration and development. The Company will only be able to pay dividends on any Common Shares once its directors determine that it is financially able to do so.

No dividends.

The Company's current policy is to retain any earnings to finance the exploration and development of the Property and to otherwise reinvest in the Company. Therefore, the Company does not anticipate paying cash dividends on the Common Shares in the foreseeable future. The Company's dividend policy will be reviewed from time to time by its Board of Directors in the context of its earnings, financial condition and other relevant factors. Until the time that the Company does pay dividends, which it might never do, its Shareholders will not be able to receive a return on their Common Shares unless they sell them.

Fluctuation and volatility in stock exchange prices.

The market price of a publicly traded stock is affected by many variables, including the availability and attractiveness of alternative investments and the breadth of public market for the stock. In recent years, the securities markets have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that such variations will not affect the price of the Company's securities in the future and that the price of the Common Shares will not decrease while listed on the CSE.